



## OFFICE OF INSURANCE AND SAFETY FIRE COMMISSIONER

COMMISSIONER OF INSURANCE  
SAFETY FIRE COMMISSIONER  
INDUSTRIAL LOAN  
COMMISSIONER  
COMPTROLLER GENERAL

SEVENTH FLOOR, WEST TOWER  
FLOYD BUILDING  
2 MARTIN LUTHER KING JR. DRIVE  
ATLANTA, GEORGIA 30334  
(404) 656-2056  
[www.oci.ga.gov](http://www.oci.ga.gov)

### MEMORANDUM

### VIA EMAIL AND U.S. MAIL

TO: Licensed Life Settlement Providers

FROM: Janice M. Wesley, *Janice* Financial Analyst

RE: Annual Statement Filing Instructions

DATE: December 1, 2010

### PLEASE NOTE THE NEW MAILING ADDRESSES:

**Mail statements and fees to: Georgia Department of Insurance  
Non-Traditional Entities Division  
P. O. Box 935138  
Atlanta, GA 31193-5138.**

**Overnight statements and fees to: Wachovia Bank  
Georgia Department of Insurance  
Non-Traditional Entities  
3585 Atlanta Avenue  
Hapeville, GA 30354.**

As a licensed Life Settlement Provider in this state, our regulations require you to file an Annual Statement and notice of major change(s) in the organization by May 1<sup>st</sup> of each year according to Georgia Regulations § 120-2-93.05. All responses must be on the specified renewal form. **NO OTHER FORMS WILL BE ACCEPTED. RESPONSES MUST BE TYPED IN NO LESS THAN 10 POINT TYPE.** Letters of credit, backstop guarantees and special corporate structures will not be taken into consideration by the Commissioner in determining the net worth requirement. If the provider is an entity the minimum net worth must be shown on the balance sheet of the entity holding the license. Please note the net worth provision stipulated at Georgia Rules and Regulations 120-2-93-.04(2)(d).

1. Each licensed company shall file with the Commissioner a full and true statement of its financial condition. Provide an audited financial statement, transactions, and affairs prepared by a licensed certified public accountant. The statement shall be filed annually on or before **May 1<sup>st</sup>** as referenced at § 33-59-3(g). The statement shall be in such form and contain such matters as the department prescribes and shall be verified by at least two (2) officers of the company. **[Please note that willful failure to file an annual statement shall subject you to penalties and fines]. [Failure to pay the renewal fee shall result in an automatic revocation of the license].**
2. At the time of filing its annual statement the provider shall pay a filing fee as provided in O.C.G.A. § 33-8-1. **The filing fee is \$500.**
3. Renewal application **GID-EN-LS-1.**
4. The annual report shall include the complete name(s), address(es), phone number(s) and social security number(s) of all officers.
5. The life settlement provider shall immediately notify the Commissioner of any material change in its ownership, or principal officer(s), or any changes to the scope of the business conducted, or the nature of the organization changed from the original application filing.
  - A. Change of ownership or principal(s) require(s) a new Biographical Statement and Affidavit(s) (**GID-EN-LS-2**), Authority for Release of Information **GID-EN-LS-3**), and an investigative report for each individual changed in the organization.
  - B. Change of ownership or principal(s) require filing a revised organization chart including names and job descriptions.
  - C. If bylaws and/or articles of incorporation are modified, new certified copies of documents are required.
  - D. Any substantial change in the scope of services rendered by the life settlement provider including new and/or amended form(s), must be documented and submitted. Revised form(s) must be submitted with a redlined (copy).
  - E. Submit a signed, notarized affidavit by the President or CEO of the company stating: the company has not had any subsequent events since the original application was filed that have impacted either the solvency of the company, forced any regulatory actions in any of the jurisdictions where the company operates; or, any other issues that have materially impacted any of the principals.
6. Provide the following information where the insured is a resident of the state. Do not include individual data which compromises the privacy of personal, financial and health information of the seller or the insured:

- a. total number, aggregate face amount, and life settlement proceeds of those policies settled during the immediate preceding calendar year, together with a breakdown of the information by policy issue year for Georgia business;
- b. the names of the insurance companies whose policies have been settled;
- c. the life settlement brokers receiving compensation related to those policies; and,
- d. the names of any and all employees who solicit, market and/or sell life settlement products.

7. Provide a notarized statement that the provider's advertising is in accordance with O.C.G.A. § 33-59-8.

Please note that Life Settlement Provider licenses are to be effective from **July 1 to June 30. ALL LIFE SETTLEMENT PROVIDER LICENSES WILL EXPIRE JUNE 30, 2011.** Therefore, all materials must be received **no later than May 1, 2011.** Extensions for certain filing materials may be granted but requesting an extension does not guarantee that an extension will be granted. In any case, only one extension will be considered.

**ALL COMPLETED FILINGS MUST BE RECEIVED BY U.S. MAIL ONLY TO THE ADDRESSES INDICATED ON PAGE 1 OF THESE INSTRUCTIONS. WALK-INS WILL NOT BE ACCEPTED. PARTIAL FILINGS WILL NOT BE ACCEPTED. ANY INCOMPLETE FILINGS WILL BE RETURNED.**

**WILLFUL FAILURE TO FILE AN ANNUAL STATEMENT OR WRITTEN INQUIRY BY THE COMMISSIONER IN CONNECTION WITH THE FILING SHALL RESULT IN FINES AND OTHER PENALTIES AS STIPULATED AT O.C.G.A. § 33-59-6(3).**

For your convenience, all forms may be accessed through the Department's website. The website address is: **www.gainsurance.org.** Under the heading "Other Services" select "Non-Traditional Entities", scroll top left and click "Life Settlement Providers." There you will find this Memorandum (GID-EN-LS—2) and the New and Renewal Application for License as a Life Settlement Provider (GID-EN-LS-1). If you do not have access to the internet please contact me at [jwesley@oci.ga.gov](mailto:jwesley@oci.ga.gov) or 404/656-1724 no later than March 15, 2011.

/jmw